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CARR & FERRELL LLP 2200 GENG ROAD PALO ALTO, CA 94303			EXAMINER APPLE, KIRSTEN SACHWITZ	
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

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4 BEFORE THE BOARD OF PATENT APPEALS
5 AND INTERFERENCES
6

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8 *Ex parte* JERRY SHAW-YAU CHANG,
9 MATTHEW CHIANG, and
10 DAVID HOLMES-KINSELLA
11

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13 Appeal 2009-009482
14 Application 09/851,553
15 Technology Center 3600
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18 Before ANTON W. FETTING, JOSEPH A. FISCHETTI, and
19 THU A. DANG, *Administrative Patent Judges*.
20 FETTING, *Administrative Patent Judge*.

21 DECISION ON APPEAL¹

¹ The two-month time period for filing an appeal or commencing a civil action, as recited in 37 C.F.R. § 1.304, or for filing a request for rehearing, as recited in 37 C.F.R. § 41.52, begins to run from the “MAIL DATE” (paper delivery mode) or the “NOTIFICATION DATE” (electronic delivery mode) shown on the PTOL-90A cover letter attached to this decision.

STATEMENT OF THE CASE²

Jerry Shaw-Yau Chang, Matthew Chiang, and David Holmes-Kinsella (Appellants) seek review under 35 U.S.C. § 134 (2002) of a final rejection of claims 1-12, the only claims pending in the application on appeal. We have jurisdiction over the appeal pursuant to 35 U.S.C. § 6(b) (2002).

The Appellants invented a method of electronic transaction settlement (Specification 1:¶ 0001).

An understanding of the invention can be derived from a reading of exemplary claim 1, which is reproduced below [bracketed matter and some paragraphing added].

1. A method for settling an electronic transaction, comprising the steps of:
 - [1] a customer providing a merchant with a customer identifier;
 - [2] the merchant sending the customer identifier and a transaction amount to a settlement house;
 - [3] the settlement house contacting the customer;
 - [4] the customer selecting a payment method and transmitting the selected payment method to the settlement house;

² Our decision will make reference to the Appellants' Appeal Brief ("App. Br.," filed March 6, 2008) and the Examiner's Answer ("Ans.," mailed June 9, 2008).

- 1 [5] the settlement house sending the transaction amount and
2 customer identifier to a financial service provider associated
3 with the payment method;
4 [6] if the electronic transaction is approved by the financial
5 service provider, sending an approval to the settlement house;
6 [7] the settlement house sending the approval to the customer;
7 [8] the customer approving the transaction amount; and
8 [9] the settlement house finalizing the electronic transaction
9 with the financial service provider and the merchant.

10 The Examiner relies upon the following prior art:

Hultgren US 6,868,391 B1 Mar. 15, 2005

11 Claims 1-8 and 10-11 stand rejected under 35 U.S.C. § 102(e) as
12 anticipated by Hultgren.

13 Claims 9 and 12 stand rejected under 35 U.S.C. § 103(a) as unpatentable
14 over Hultgren and Official Notice.

15

16 ISSUES

17 The issues of novelty and non-obviousness turn on whether Hultgren
18 describes the customer selecting a payment method and transmitting the
19 selected payment method to the settlement house.

20

21 FACTS PERTINENT TO THE ISSUES

22 The following enumerated Findings of Fact (FF) are believed to be
23 supported by a preponderance of the evidence.

1 *Facts Related to the Prior Art*

2 *Hultgren*

3 01. Hultgren is directed to a tele/datacommunications network that
4 has a service node (TSN) which facilitates payment/transfer from
5 a customer account of a customer financial institution to a
6 merchant account of a merchant financial institution. The TSN
7 acquires a merchant identifier and transaction amount from a
8 customer mobile station. The TSN sends a transaction verification
9 request message to both the customer mobile station and the
10 merchant terminal. Upon receipt of transaction verification, the
11 TSN requests transfer of the transaction amount from the customer
12 account to the merchant account. Hultgren 1:55-64.

13 02. Hultgren provides its method of payment so that having
14 physical credit cards or checks are unnecessary. Hultgren 1:21-
15 52.

16 03. The SIM (subscriber identification mobile) card in the customer
17 mobile station can also serve as a credit card, in which case
18 payment can be debited to the customer's credit card account or
19 telephone bill. In this regard, the SIM card has the customer's
20 account number stored therein, which account number can be
21 automatically communicated by the customer mobile station unit
22 to the telepay TSN. Hultgren 12:66 -13:6.

ANALYSIS

Claims 1-8 and 10-11 rejected under 35 U.S.C. § 102(e) as anticipated by Hultgren.

This is an anticipation rejection. Limitation [4] requires the customer selecting a payment method and transmitting the selected payment method to the settlement house. The Examiner admitted that “[t]he examiner has already agreed that she has not directly found this teaching in Hultgren and uses Official Notice to teach ‘selecting a payment method.’” Indeed, Hultgren simply uses the credit card identified in the user’s telephone account. FF 03. Thus, the Examiner has admitted Hultgren fails to anticipate the claims.

Claims 9 and 12 rejected under 35 U.S.C. § 103(a) as unpatentable over Hultgren and Official Notice.

Claim 9 further requires a handheld computing device. It is undisputed that Hultgren describes this additional limitation, but claim 9 depends from claim 1 via claim 7. Claim 12 further limits the payment selection limitation from claim 1.

These claims are rejected over obviousness, raising the issue of whether the Examiner’s official notice with the above claims is sufficient to present a prima facie case, even before examining the additional limitations in these dependent claims. Again, Hultgren specifically describes the ease of programming by having a single payment method pre-identified, and more critically, is designed so the customer does not have to hold any credit cards. FF 02. Indeed, were the customer holding credit cards, the customer would

1 not need Hulbert's device, but would simply hand over the credit card to the
2 merchant, or type its number into the web ordering system.

3 Absent some evidence for why one would change Hulbert's
4 programming with its taught advantages of simplicity, and how one would
5 make such a selection when holding no credit cards, the Examiner's official
6 notice that customers often select different forms of payment fails to present
7 a prima facie case.

8 CONCLUSIONS OF LAW

9 Rejecting claims 1-8 and 10-11 under 35 U.S.C. § 102(e) as anticipated
10 by Hultgren is in error.

11 Rejecting claims 9 and 12 under 35 U.S.C. § 103(a) as unpatentable over
12 Hultgren and Official Notice is in error.

13 DECISION

14 To summarize, our decision is as follows.

- 15 • The rejection of claims 1-8 and 10-11 under 35 U.S.C. § 102(e) as
16 anticipated by Hultgren is not sustained.
- 17 • The rejection of claims 9 and 12 under 35 U.S.C. § 103(a) as
18 unpatentable over Hultgren and Official Notice is not sustained.

19 20 REVERSED

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24 mev

Appeal 2009-009482
Application 09/851,553

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